

WaterSMART Grants: Water Marketing Strategy Grants

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Policy and Administration, Water Resources and Planning

May 17, 2018

Agenda Overview

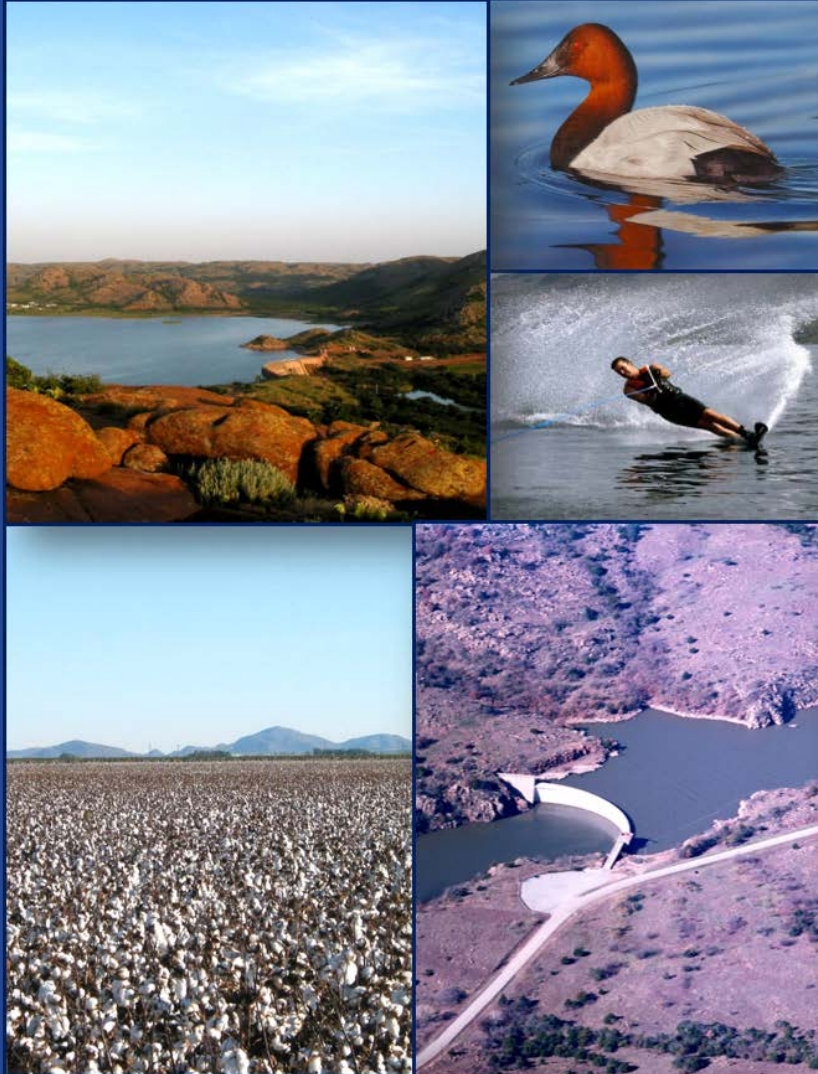
- Introductions
- WaterSMART Program Overview
- Water Marketing Overview
- Eligible Applicants and Projects
- Elements of a Water Marketing Strategy
- Evaluation Criteria
- Data Visualization Tool



Reclamation Offices



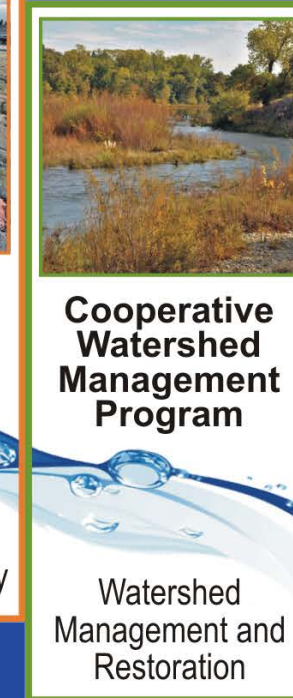
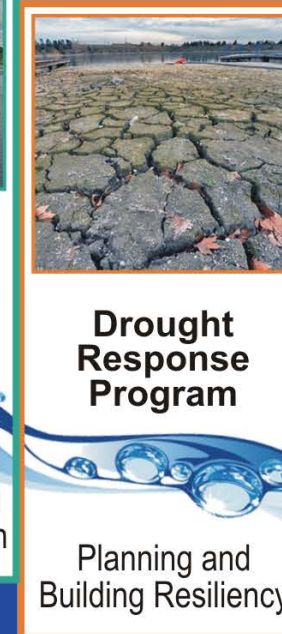
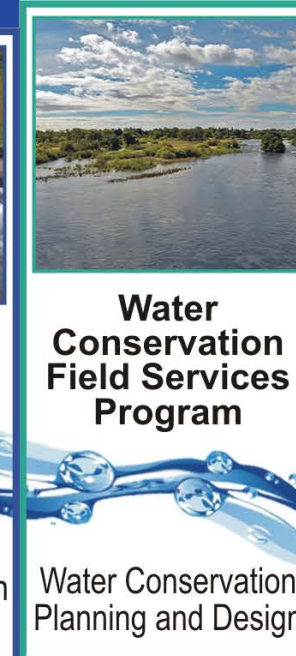
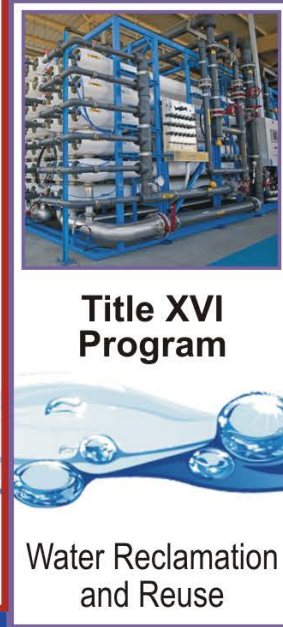
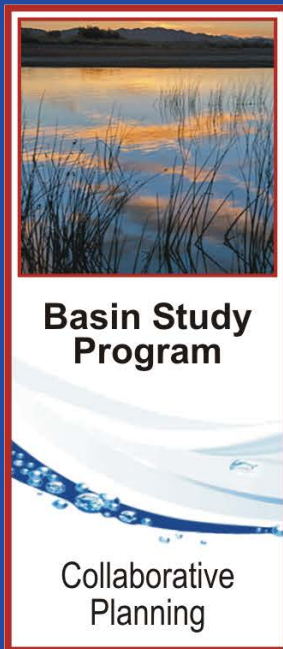
WaterSMART Program - *Overview*



- Departmental initiative established in 2010
- Provides a framework for Interior to support water supply reliability for multiple water users
- WaterSMART supports Reclamation's mission through collaboration with stakeholders to improve water management, increase water reliability, and optimize limited supplies
- Authorized under section 9504 of the SECURE Water Act

Reclamation's Mission

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.



WaterSMART Program



Water and Energy
Efficiency Grants



Small-Scale Water
Efficiency Projects



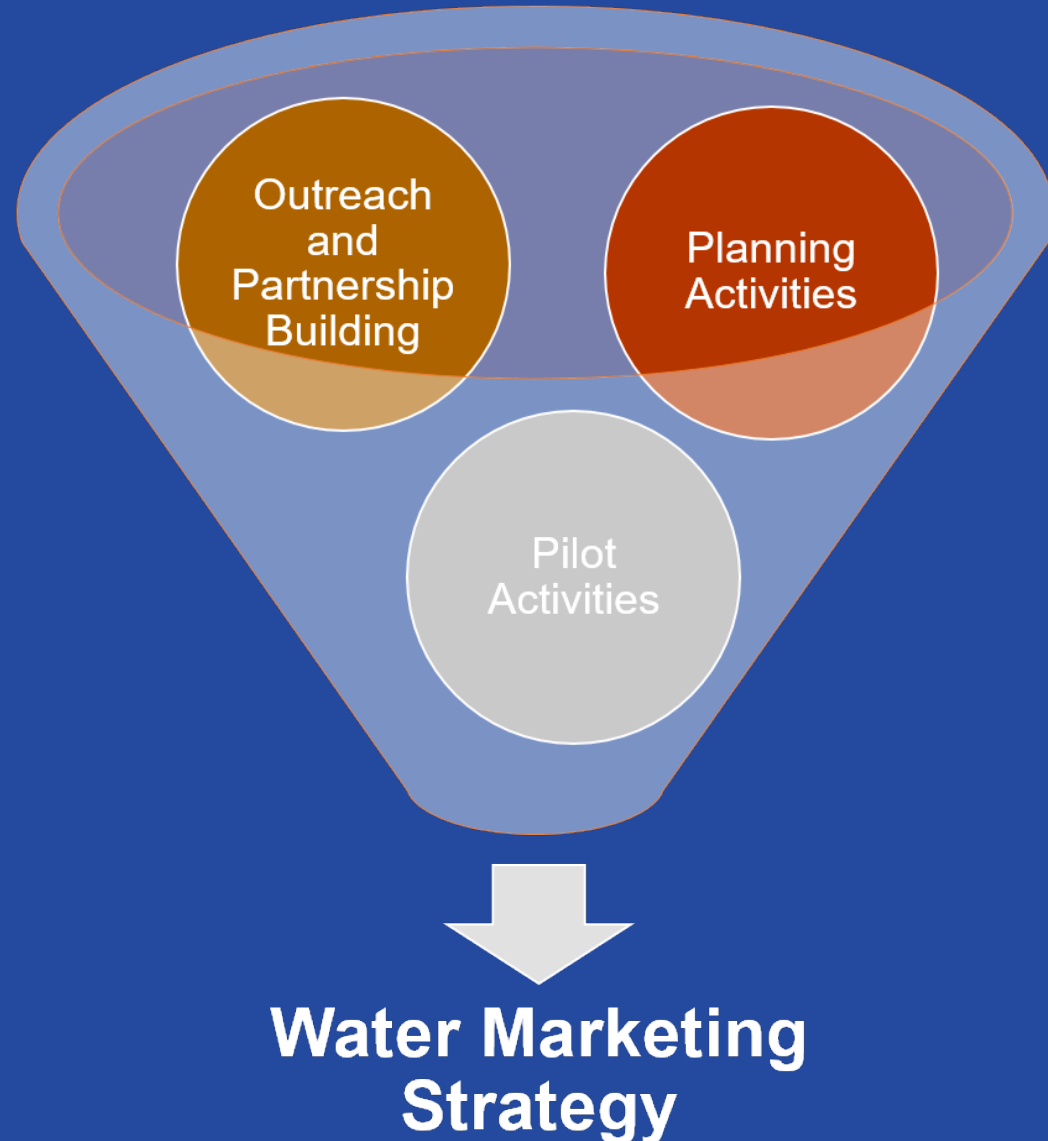
***Water Marketing
Strategy Grants***

Water Marketing Strategy Grants – *Overview*

- *Water marketing* refers to water rights transactions, or agreements governing water rights, water use, or water management, undertaken in accordance with state and Federal laws, between willing participants.
- Examples:
 - Voluntary lease, sale or exchange of water or water rights
 - Non-diversion agreements
 - Dry-year options
 - Agreements governing groundwater recharge and storage

Water Marketing Strategy Grants – Overview

- A *water marketing strategy* is a framework for the implementation of water marketing and can include these 3 elements:



Water Marketing Strategy Grants – *Project Eligibility*

Eligible Applicants:

- States, Tribes, irrigation districts, water districts, or other organizations with water or power delivery authority

Eligible Projects:

- Development of a water marketing strategy to establish or expand current water markets or water marketing activities

Ineligible Applicants:

- Federal government entities
- Institutes of higher education
- Individuals
- 501(c)4 and 501(c)6 organizations

Ineligible Projects:

- Other types of planning studies
- Construction activities
- Water conservation projects
- OM&R
- Title XVI Projects
- Water purchases
- Administrative construction costs
- On-farm improvement projects

Water Marketing Strategy Grants – *Award Information*

Funding Group I:

- Up to \$200,000 in Federal funds
- Completed within 2 years
- Smaller project scope
- Can be less complex
 - Few partners involved
 - Smaller geographic area
 - Builds on prior work

Funding Group II:

- Up to \$400,000 in Federal funds
- Completed within 3 years
- Large project scope
 - More partners
 - Larger geographic area
 - More complex water markets

*50% or greater non-Federal cost share is required regardless of Funding Group

Water Marketing Strategy Grants – *Project Requirements*

- Projects must address 3 required elements that compose a water marketing strategy
- One of the required elements is a water marketing strategy
- Additional requirements if selected for funding

Water Marketing Strategy Grants – *Required Project Elements*

Three Elements of a Water Marketing Strategy:

1. Outreach and Partnership Building

- Conducting outreach to potential partners, participants, and interested or affected stakeholders in the area through public meetings, webinars, notices, or other forms of communication and outreach
- Hosting workshops to gather information on the development of the water marketing strategy

Water Marketing Strategy Grants – *Required Project Elements cont.*

2. Scoping and Planning Activities

- Conducting financial or economic analyses to identify potential buyers and sellers, assess demands for the water market, and research the cost of implementing the water market
- Researching different water marketing approaches
- Analyzing water rights issues or legal requirements
- Conducting hydrologic or engineering studies related to water supply, use of infrastructure, or hydrologic impacts of water marketing
- Analysis of decision support tools

Water Marketing Strategy Grants – *Required Project Elements cont.*

3. Development of a Water Marketing Strategy

- A water marketing strategy is a written document that describes a proposed approach to establish or expand a new water market or water marketing activities based on the results of Elements 1 and 2
- There are 5 requirements that apply to the development of a Water marketing Strategy

Water Marketing Strategy Grants - Strategy Requirements

- There are 5 strategy requirements that apply to the development of the water marketing strategy.

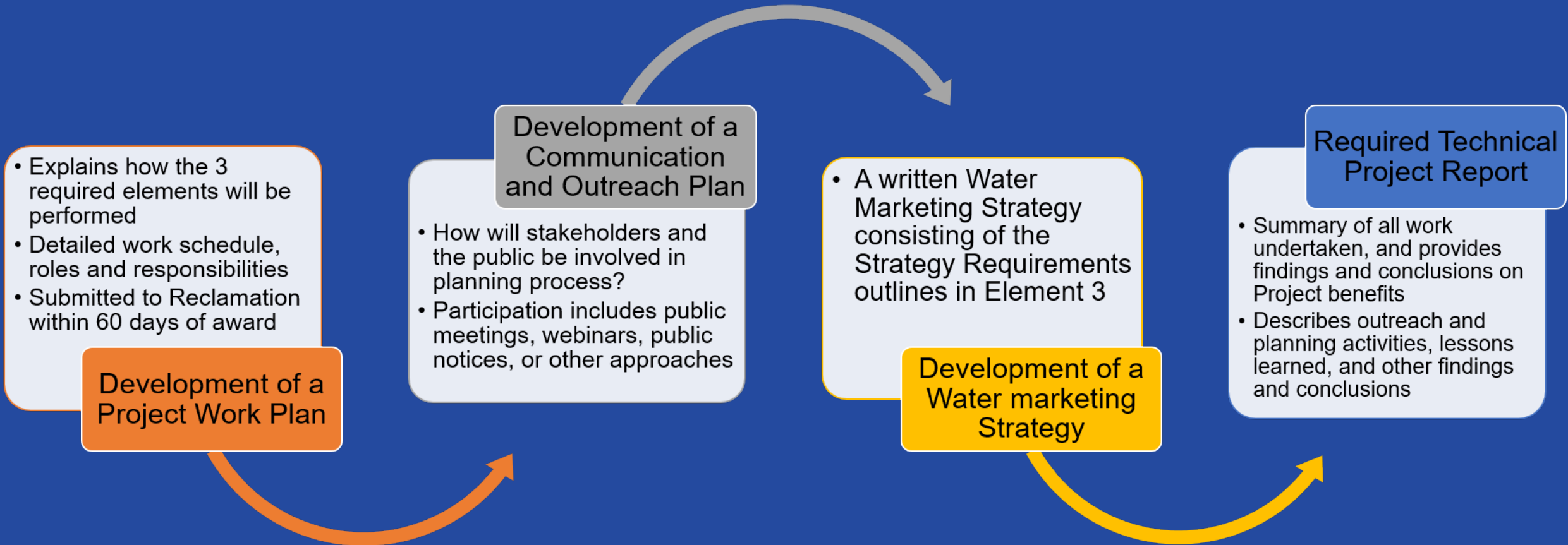


Water Marketing Strategy Grants – *Post Selection Requirements*

After the applicant is informed of being selected, Reclamation will enter into a financial assistance agreement:

- The financial assistance agreement documents the milestones, project, and reporting requirements
- Required planning components

Water Marketing Strategy Grants – *Required Planning Components*



EVALUATION CRITERIA

Evaluation Criterion D - Department of Interior Priorities (10 points)

Scored based on the extent that the proposal supports the DOI priorities.

Criterion C - Ability to Meet Program Requirements (20 points)

Scored based on the extent to which the proposal supports the applicants financial ability.

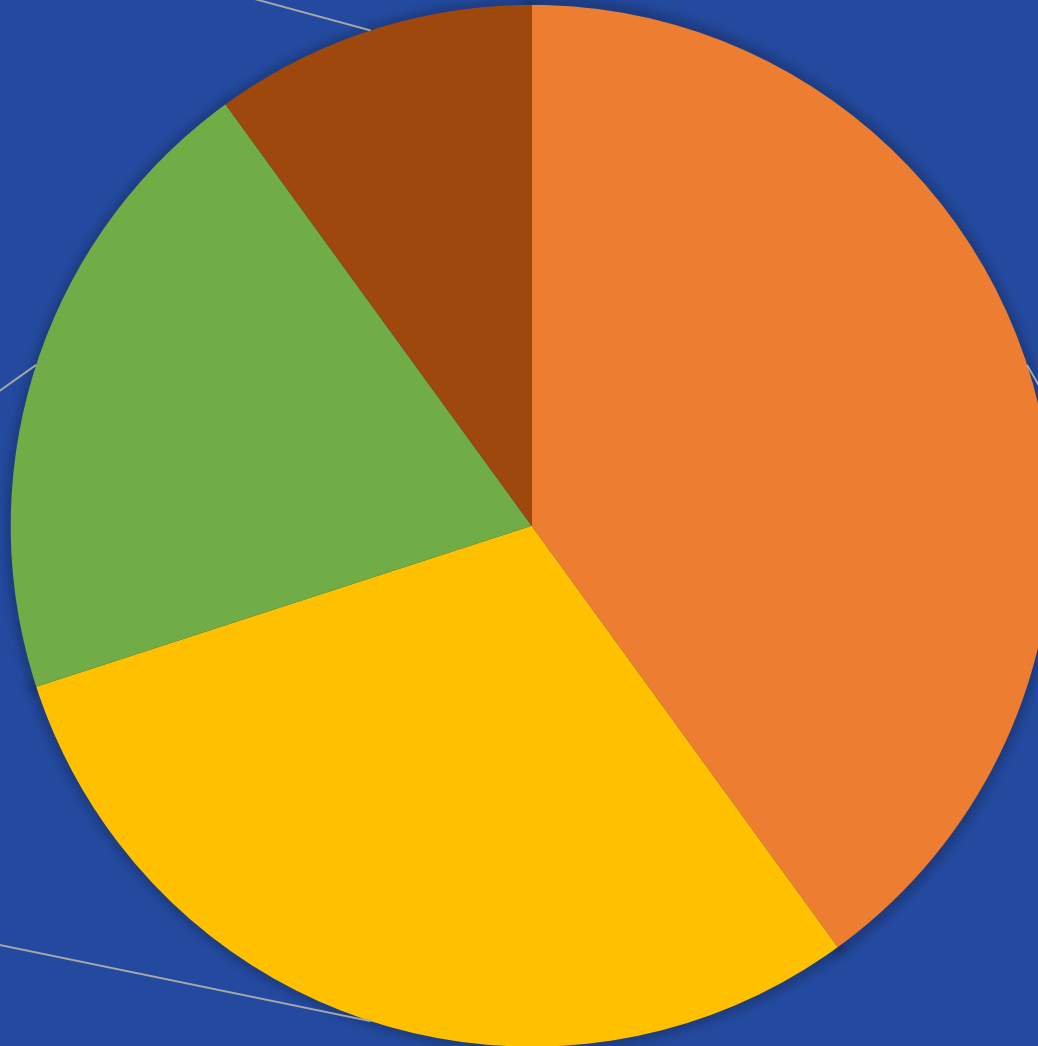
Criterion B - Level of Stakeholder Support and Involvement (30 points)

Scored based on the extent to which the proposal demonstrates the strategy is supported by a diverse set of stakeholders.

- Applications will be evaluated against the evaluation criteria which comprise a total of 100 points.

Criterion A - Water Marketing Benefits (40 points)

Scored based on the extent to which the proposed water marketing strategy will result in significant benefits to water supply reliability.



Water Marketing Strategy Grants – *FY2017*

Project Examples

The New Cache La Poudre Irrigating Company, Inc., Colorado

- Partnering with Ducks Unlimited to develop a water marketing strategy that facilitates the temporary transfers of agricultural water to meet the demands of municipalities, rural economic development, and wildlife habitat
- Emphasizes temporary water leases over permanent transfers to sustain Front Range agriculture while meeting other needs during shortages
- Multiple stakeholders and collaborators

Water Marketing Strategy Grants – *FY2017*

Project Examples

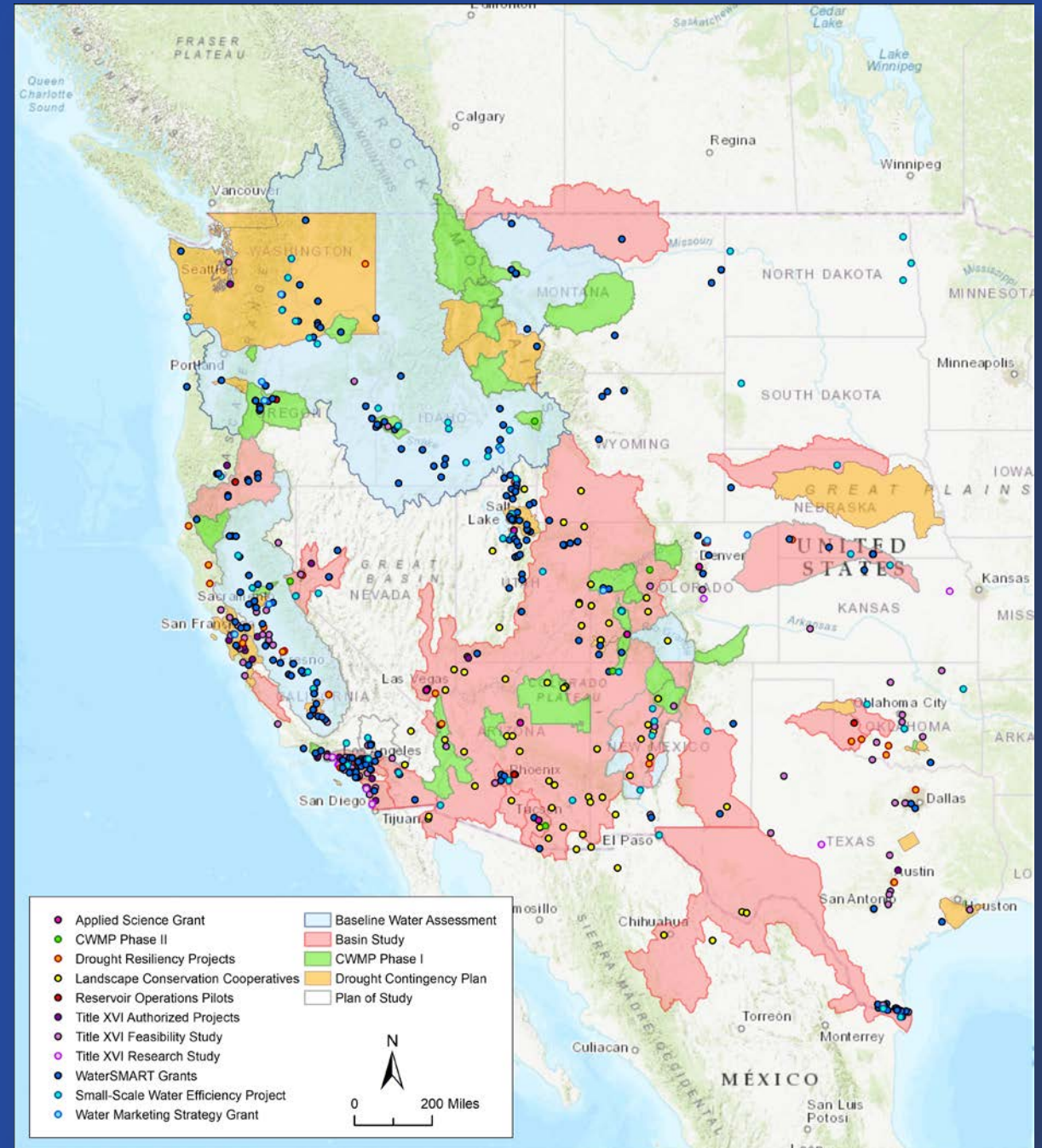
Central Oregon Irrigation District, Redmond, Oregon

- Developing a water transaction program to facilitate the trading of water between irrigation districts and for environmental flows on the Deschutes River
- The Oregon Spotted Frog has accelerated the need to restore flows in the Deschutes River
- Increases the reliability for irrigators (especially Junior users), protects flows in the river, and meets the needs of both agricultural users and municipalities

WaterSMART - *Data Visualization*

- Provides users with interactive maps of each WaterSMART Program and project
- Includes Featured Project tours
- Allows for data export
- Shows program growth since 2010
- Recently updated with new application features

[WaterSMART Data Visualization Tool](#)



Water Marketing Strategy Grants - *Program Requirements Summary*

Eligible Applicants

States, Tribes, irrigation districts, water districts, or other organizations with water or power delivery authority in the western United States.

Funding Groups

Funding Group I: Up to \$200,000 for strategies completed within 2 years
Funding Group II: up to \$400,000 for strategies completed within 3 years

Cost Share

50% or more non-Federal cost-share is required.

Required Project Elements

1. Outreach and Partnership Building
2. Scoping and Planning Activities
3. Development of a Water Marketing Strategy

Evaluation Criteria

Applications will be evaluated against the evaluation criteria which comprise a total of 100 points.

FOA Deadline: Tuesday, July 17, 2018, at 4:00 p.m. MDT

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RECLAMATION
Managing Water in the West